OCC Monitoring Process
A Guide for State and Territory Lead Agencies

December 16, 2020
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I. About This Guide

The purpose of this document is to provide States and Territories with all the information and resources needed to perform monitoring processes within the Office of Child Care (OCC) Monitoring System. The guide includes background information about the design and structure of the system, instructions for conducting monitoring activities, definitions for key terms and acronyms, and blank and completed examples of monitoring forms.

Several types of callouts are utilized throughout this guide to improve the guide’s usefulness:

**ON THE GROUND** – These callouts provide suggestions and lessons learned from those involved in the monitoring pilots and in formal monitoring.

**LEARN MORE** – These callouts provide links to trainings and tipsheets where additional information may be accessed.

**ADDITIONAL INFO** – These callouts reference details and other useful tools located within the appendices.

**TEAM TIP** – These callouts include helpful tips for members of the State teams.

Appendices and other documents are shown in italicized text for easy identification within the narrative.

Processes and resources described and shared in this guide are current as of the date of publication (Oct. 1, 2020) and are effective for Monitoring Cycle #1, which covers the period from Oct. 1, 2018 through Sept. 30, 2021. As periodic updates and clarifications are made, the publication date will be updated to reflect the latest substantive revision date.

The resources included in the Appendix of this guide (tipsheets, training materials, etc.) will be updated periodically. Readers should always download resources from the latest version of the guide to ensure use of up-to-date materials.

*OCC Monitoring Process: A Guide for State and Territory Lead Agencies* was written by WRMA, Inc., under the direction of OCC’s Oversight and Accountability Division.

**ADDITIONAL INFO**

*Appendix A, Commonly Used Terms and Acronyms* provides definitions and cross-references for terms and acronyms used in this guide and throughout the monitoring process.
II. The OCC Monitoring System

Background

The Child Care and Development Fund (CCDF) Final Rule at 45 CFR § 98.90, Subpart J—Monitoring, Noncompliance and Complaints, provides the Secretary of the Department of Health and Human Services (HHS) the authority to monitor States¹ for compliance with the Child Care and Development Block Grant (CCDBG) Act of 2014, the CCDF Final Rule, and the State’s approved CCDF Plan. Traditionally, OCC implemented this requirement through review and approval of CCDF State Plans, including Plan amendments, and through ongoing oversight. In 2016, OCC began expanding its monitoring efforts by developing a system for in-depth monitoring of State compliance with CCDF regulations.

OCC’s formal monitoring started with the approval of the 2019-2021 triennial CCDF State Plans. The in-depth monitoring process will review each State’s policies, procedures, and practices on the ground against CCDF regulations and against what is written in the State’s approved Plan.

Development

Development of the monitoring system was guided by three key principles to ensure effectiveness:

1. **Transparency:** OCC engaged the States so they had a voice in the development of the monitoring system and understood the associated expectations.

2. **Support for the States:** OCC committed to making monitoring useful to the States, as well as supporting them in operating CCDF systems that comply with the CCDF regulations. Rather than building a punitive system, OCC envisioned a monitoring system that supported the identification of technical assistance (TA) needs.

3. **Efficiency in the development and execution of the monitoring system:** OCC thought strategically about how to use existing grantee data, identifying gaps in data or other necessary documentation and synthesizing data and documentation prior to the site visit to minimize duplicative requests.

The development of the monitoring system was divided into two phases. The first phase included conversations with CCDF Lead Agency stakeholders and national experts in other monitoring systems, along with pilot visits conducted with three States. The input gathered

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¹ Within this document, the term “State” has the following meaning as established in CCDF Final Rule (45 CFR § 98.02): “State means any of the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and includes Tribes unless otherwise specified.” Currently, OCC’s monitoring process does not apply to Tribes; Territories will be monitored beginning with Cycle #2.
during that phase was essential to developing the draft monitoring process. Feedback and lessons learned from the first phase were incorporated into the second phase, which included conducting pilot site visits in seven States to test the draft monitoring processes and data collection tools in a real-world environment. The feedback and lessons learned from this pilot phase contributed to the design and implementation of the fully operating monitoring system in federal fiscal year (FFY) 2019.

Goals

The purposes of the OCC monitoring system are to:

1. Ensure compliance with CCDF regulations and approved CCDF State Plans;
2. Identify technical assistance needs to meet CCDF requirements; and
3. Identify promising practices to inform continuous quality improvement.

Cohorts and Cycles

States are divided into three monitoring cohorts with one-third of the States visited annually; one cohort is visited every year. Each three-cohort monitoring cycle aligns with a CCDF Plan Period. The monitoring cohorts and the dates for each cohort within Monitoring Cycle #1 are provided in Table 1 and 2:

<table>
<thead>
<tr>
<th>Cohort 1 States</th>
<th>Region</th>
<th>Cohort 2 States</th>
<th>Region</th>
<th>Cohort 3 States</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>I</td>
<td>Connecticut</td>
<td>I</td>
<td>New Hampshire</td>
<td>I</td>
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<tr>
<td>Rhode Island</td>
<td>I</td>
<td>Maine</td>
<td>I</td>
<td>Vermont</td>
<td>I</td>
</tr>
<tr>
<td>New York</td>
<td>II</td>
<td>New Jersey</td>
<td>II</td>
<td>Puerto Rico</td>
<td>II</td>
</tr>
<tr>
<td>Delaware</td>
<td>III</td>
<td>District of Columbia</td>
<td>III</td>
<td>Pennsylvania</td>
<td>III</td>
</tr>
<tr>
<td>Virginia</td>
<td>III</td>
<td>Maryland</td>
<td>III</td>
<td>West Virginia</td>
<td>III</td>
</tr>
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<td>Florida</td>
<td>IV</td>
<td>Kentucky</td>
<td>IV</td>
<td>Georgia</td>
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</tr>
<tr>
<td>Mississippi</td>
<td>IV</td>
<td>North Carolina</td>
<td>IV</td>
<td>Alabama</td>
<td>IV</td>
</tr>
<tr>
<td>Tennessee</td>
<td>IV</td>
<td>South Carolina</td>
<td>IV</td>
<td>Illinois</td>
<td>V</td>
</tr>
<tr>
<td>Ohio</td>
<td>V</td>
<td>Michigan</td>
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<td>Indiana</td>
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<tr>
<td>Wisconsin</td>
<td>V</td>
<td>Minnesota</td>
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<td>Texas</td>
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<tr>
<td>Louisiana</td>
<td>VI</td>
<td>New Mexico</td>
<td>VI</td>
<td>Oklahoma</td>
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<tr>
<td>Arkansas</td>
<td>VI</td>
<td>Missouri</td>
<td>VII</td>
<td>Kansas</td>
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<tr>
<td>Iowa</td>
<td>VII</td>
<td>Nebraska</td>
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<td>Colorado</td>
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<td>Utah</td>
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</tr>
<tr>
<td>South Dakota</td>
<td>VIII</td>
<td>Wyoming</td>
<td>VIII</td>
<td>California</td>
<td>IX</td>
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<td>Arizona</td>
<td>IX</td>
<td>Hawaii</td>
<td>IX</td>
<td>Nevada</td>
<td>IX</td>
</tr>
<tr>
<td>Oregon</td>
<td>X</td>
<td>Idaho</td>
<td>X</td>
<td>Washington</td>
<td>X</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Alaska</td>
<td>X</td>
</tr>
</tbody>
</table>

TABLE 1

<table>
<thead>
<tr>
<th>States</th>
<th>OCC Monitoring Cycle #1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cohort 1 States</td>
<td>10/1/18 – 9/30/19</td>
</tr>
<tr>
<td>Cohort 2 States</td>
<td>10/1/19 – 9/30/20</td>
</tr>
<tr>
<td>Cohort 3 States</td>
<td>10/1/20 – 9/30/21</td>
</tr>
</tbody>
</table>
The State cohort assignments mirror those used for the improper payment/error rate reviews but are shifted by one year so that no State is required to undergo an error rate review and monitoring in the same federal fiscal year.

**Sub-Cohorts**

States with visits during the same part of the fiscal year (usually a calendar quarter) are called a sub-cohort. States within each sub-cohort undergo preparatory training together. (See Section III. Monitoring Process Overview below.)

**Non-Monitoring Years**

During non-monitoring years, OCC will continue to track State progress and compliance through ongoing oversight and communication with States. This will typically take place in the form of monthly calls between the Regional Office and the State, as well as ongoing review of reports (such as the ACF-404 improper payment report, the ACF-696 financial report, the ACF-800 and 801 administrative data reports, and state audits). Support will be provided to the State around the submission, review, and approval of amendments for any changes to the State Plan. Onsite visits will continue to be part of OCC’s oversight and TA work with State Lead Agencies.

**Focus Areas**

OCC will define specific topical focus areas for each three-year monitoring cycle. This enables a more thorough analysis of the State’s ability to demonstrate compliance with the selected CCDF regulations for that monitoring cycle. It also enables OCC to adapt its monitoring processes to reflect emerging trends, compliance concerns, and the evolving priorities of each administration.

The CCDF regulations being reviewed for Monitoring Cycle #1 (FFY 2019-2021) fall into the following 11 topical areas, shown in Table 3.

<table>
<thead>
<tr>
<th>Topic #</th>
<th>Monitoring Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Disaster Preparedness, Response, and Recovery</td>
</tr>
<tr>
<td>2.</td>
<td>Consumer Education: Dissemination of Information to Parents, Providers, and General Public (focusing on the posting of Monitoring Reports and Annual Aggregate Data)</td>
</tr>
<tr>
<td>3.</td>
<td>Twelve-Month Eligibility</td>
</tr>
<tr>
<td>4.</td>
<td>Child: Staff Ratios and Group Sizes</td>
</tr>
<tr>
<td>5.</td>
<td>Health and Safety Requirements for Providers (11 health and safety topics)</td>
</tr>
<tr>
<td>6.</td>
<td>Pre-Service/Orientation and Ongoing Training for Providers</td>
</tr>
<tr>
<td>7.</td>
<td>Inspections for CCDF Licensed Providers</td>
</tr>
<tr>
<td>8.</td>
<td>Inspections for License-Exempt CCDF Providers</td>
</tr>
<tr>
<td>9.</td>
<td>Ratios for Licensing Inspectors</td>
</tr>
<tr>
<td>10.</td>
<td>Child Abuse and Neglect Reporting</td>
</tr>
<tr>
<td>11.</td>
<td>Program Integrity and Accountability</td>
</tr>
</tbody>
</table>

*Table 3*
The specific regulatory language being monitored in each topic can be found in the *Compliance Demonstration Packet.*

### III. Monitoring Process Overview

#### The OCC Monitoring Team

Throughout the OCC monitoring process, the State and its CCDF team work closely with an OCC Monitoring Team. **OCC Monitoring Team members include:**

- OCC Regional Program Manager;
- Assigned OCC Regional Program Specialist(s);
- Representatives from the OCC Central Office; and
- Representatives from OCC’s monitoring contractor, WRMA, Inc.

#### Structuring the State Team

The State Administrator ensures that the OCC Monitoring Team gets the evidence it needs, during all three phases of monitoring, to determine the State’s compliance with the regulations being monitored. State Administrators are encouraged to engage other State-level CCDF leadership (such as subsidy, licensing/monitoring, and professional development managers) in all phases of the process.

This **State Team**, identified and led by the State Administrator or designee:

- Attends trainings and calls;
- Completes the *Compliance Demonstration Chart*;
- Completes the *Document Submission Chart* and submits materials for the OCC Monitoring Team to review; and
- Works with the OCC Monitoring Team to coordinate the logistics of the onsite visit.
- Actively participates in the visit.

#### Overview of the Monitoring Phases

The OCC monitoring process is divided into three phases which occur over several months: pre-visit planning and document review, the three-day onsite visit, and post-visit documentation and compliance determination.

A high-level overview of the major activities in each of the three phases of OCC Monitoring is shown in *Figure 2*, below.
During the Pre-Visit Phase, the OCC Monitoring Team and the State work collaboratively to identify State-specific approaches that ensure that the monitoring effort captures data about the State’s compliance with the CCDF regulations within the context of the State’s CCDF Plan and child care system structure. The OCC Monitoring Team begins data collection and analysis in this phase, including completion of an extensive review of written materials provided by the State. Note that in OCC Monitoring, unlike many other federal monitoring or audit processes, the heaviest lift for States comes during the Pre-Visit Phase.

During the Onsite Phase, the OCC Monitoring Team visits the State. During the visit, the OCC Monitoring Team collects data in person through in-depth technical interviews with, and demonstrations by, the State and its partners, as well as through guided reviews of subsidy and licensing/monitoring case files. The onsite data collection can both supplement the pre-visit data collection and provide on-the-ground validation of evidence collected during the desk review.

During the Post-Visit Phase, the OCC Monitoring Team analyzes evidence from all three phases and makes preliminary determinations of the State’s compliance with each regulation monitored. OCC makes a preliminary compliance determination which is shared during the Virtual Exit Conference with the State. The State has the option to respond to the preliminary compliance determination. Following the State’s (optional) response, OCC disseminates a final compliance determination letter, officially ending the monitoring process.
Throughout the monitoring process, OCC will be identifying promising practices within States to inform continuous quality improvement. TA support, if needed, will occur outside of the monitoring process.

Training

OCC provides training to States during the Pre-Visit Phase to help them understand the monitoring process and expectations and to address questions. Trainings for States are noted in Figure 3 and described below:

**Monitoring National Overview**

This approximately one-hour webinar is offered one time per year ahead of the start of the Cohort and provides a high-level overview of:

- OCC’s monitoring approach, the topics included, and who will be engaged;
- The three phases of monitoring and key activities occurring within each; and
- Next steps in the OCC Monitoring process.

More detailed information on these processes are listed in V. Monitoring Visit - Pre-Visit Phase. State administrators and staff, as well as partner organizations, are invited to attend the OCC Monitoring National Overview training. Regional Offices will provide States with the date, details, and registration instructions for this training ahead of the start of the Cohort.

**Sub-Cohort Training**

Each sub-cohort receives just-in-time training on the OCC monitoring process ahead of the Pre-visit Phase. This 1.5-hour Sub-Cohort Training provides:

- Details regarding monitoring topics and regulations;
- A walk-through of the Compliance Demonstration Packet, including the Compliance Demonstration Chart and Document Submission Chart;
• Potential approaches to demonstrating compliance; and
• Details regarding the three pre-visit planning calls.

State administrators and staff, as well as partner organizations, are invited to attend the Sub-Cohort Training. Regional Offices will provide States with the date, details, and registration instructions for this training.

Document Submission Chart Mini-Training for States

This 11-minute, pre-recorded mini-training is provided to States just before they need to complete the Document Submission Chart. The training provides States with instructions on how to complete the Document Submission Chart and discusses:

• The structure and format of the Document Submission Chart;
• The types of documents that may be included; and
• The process for completing the chart and transmitting it to the OCC Monitoring Team.

State Administrators and staff are encouraged to complete the Document Submission Chart Mini-training. Regional Offices will provide States the link to the training during State Planning Call #1.

IV. Outreach and Scheduling

Initial Cohort Outreach

Prior to the OCC Monitoring National Overview training, OCC will send a letter to the States in the upcoming cohort to announce the start of the monitoring process. The letter will include the date and registration information for the OCC Monitoring National Overview training and materials for the Pre-Visit Phase.

National Scheduling Process

Establishing Visit Dates

OCC will work with States to confirm availability for the recommended onsite visit dates. Once the national schedule of onsite visits for the cohort has been finalized, the Regional Office will send a confirmation letter to the State with the dates for the onsite visit, the date for the appropriate Sub-Cohort Training, and the State-Specific Monitoring Activities Chart (Appendix B-3), which will include proposed dates for calls, document submissions, etc.
V. Monitoring Activities

Overview

As noted above in Section III, the OCC monitoring process is divided into three phases which occur over several months (as shown in Figure 4): pre-visit planning and document review, the three-day onsite visit, and post-visit documentation and compliance determination. Although the full process takes months to complete, monitoring is a point-in-time look at compliance. The OCC Monitoring Team will review the State’s compliance with each of the monitoring topics up to, and including, the time of the onsite visit.
Pre-Visit Phase

The Pre-Visit Phase of the OCC monitoring process is an intensive period of preparation and learning for all involved. During this phase, members of the OCC Monitoring Team will spend five to six months analyzing information about the State being monitored, documenting initial evidence observed, identifying follow-up questions, and using that information to plan a meaningful onsite monitoring visit.

Figure 5 provides a high-level flowchart of State Pre-Visit Phase activities. States should refer to their State Monitoring Activities document received with the confirmation letter, which provides more detail.

State Pre-Visit Activities

The OCC Monitoring Team conducts three virtual planning calls with the State within the Pre-Visit Phase. The State completes two key documents within this phase (noted in red on the flowchart)—the Compliance Demonstration Chart and Document Submission Chart. Both documents are included in the Compliance Demonstration Packet.

The OCC Monitoring Team reviews evidence provided on the Compliance Demonstration Chart and Document Submission Chart and data collected on the two charts drives the structure of the onsite visit that follows.
Compliance Demonstration Chart

Before the first State Planning Call, the State will complete the Compliance Demonstration Chart. This is a document that allows the State to propose its approach for demonstrating compliance with the 11 monitoring topics and will guide the process for data collection. The Compliance Demonstration Chart is Part I of the Compliance Demonstration Packet.

The chart lists each of the 11 topic areas for the current monitoring cycle and the specific regulations being monitored for each topic. The State documents the proposed methods for demonstrating compliance for each regulation on the Compliance Demonstration Chart. These methods may be pre-visit documentation (which would be included in Column B), onsite activities (which would be included in Column C), or, in most cases, both. The Compliance Demonstration Chart does not need to include lengthy paragraphs, web links, or document details. It is a high-level document used to share the approach the State would like to use to demonstrate compliance.

The OCC Monitoring Team will review the pre-visit and onsite demonstration methods proposed in the State’s completed Compliance Demonstration Chart and provide feedback for discussion about how the proposed methods will provide the OCC Monitoring Team with sufficient evidence of the State’s compliance. (See the excerpt of a Sample Completed Compliance Demonstration Chart in Figure 6.)

**Figure 6**

Sample Completed Compliance Demonstration Chart (Excerpt)
Types of Evidence

The means for demonstrating compliance with the CCDF regulations will vary from topic to topic. Consider submitting different kinds of evidence for each regulation, so that the OCC Monitoring Team can not only observe what policies/rules the State has put into place, but also how the policies/rules are being implemented by the Lead Agency and by the local offices/partner sites, contractors, and child care providers that carry out the work.

It is important to think about all provider types for the topics related to licensing/monitoring and professional development, and other relevant offices/programs that the Lead Agency coordinates with to administer CCDF. Think holistically about the Lead Agency’s CCDF program when completing the Compliance Demonstration Chart.

The State will need to demonstrate compliance for all provider types, so in the Compliance Demonstration Chart be sure to include the requirements for licensed and license-exempt providers and all of the categories of care that are CCDF-eligible in the State (center-based, home-based, day camps, schools, etc.).

Examples of the types of evidence the OCC Monitoring Teams typically see during the Pre-Visit and Onsite Phases are noted below:

<table>
<thead>
<tr>
<th>Pre-Visit Examples</th>
<th>Onsite Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>State rules, statutes, and regulations</td>
<td>Discussions with State leadership</td>
</tr>
<tr>
<td>Policy and staff training manuals</td>
<td>System demonstrations</td>
</tr>
<tr>
<td>Provider and family applications/forms</td>
<td>o Eligibility system</td>
</tr>
<tr>
<td>Licensing/monitoring checklists</td>
<td>o Licensing/monitoring inspection systems</td>
</tr>
<tr>
<td>Monitoring and oversight reports</td>
<td>o Consumer education website</td>
</tr>
<tr>
<td>Internal notes/communications</td>
<td>o Professional development systems</td>
</tr>
<tr>
<td>Other resources for parents, providers, State staff, etc.</td>
<td>Conversations with eligibility workers and licensing staff in field offices</td>
</tr>
<tr>
<td></td>
<td>Provider licensing/monitoring file reviews</td>
</tr>
<tr>
<td></td>
<td>Subsidy family case file reviews</td>
</tr>
</tbody>
</table>

**TEAM TIP**

It is important to be strategic when completing the Compliance Demonstration Chart. For each regulation ask, “What do we have that will provide the OCC Monitoring Team with the most direct evidence to meet the regulation?” Being strategic will reduce the amount of back and forth communication needed for the Monitoring Team to complete their review.
Evidence of Delegated Authority

If the State’s Lead Agency delegates inspection or subsidy authority to another entity, the Monitoring Team will need to review a memorandum of understanding (MOU) or some other form of evidence demonstrating that the delegated agency adheres to the CCDF rules.

State Planning Call #1

After completing the Compliance Demonstration Chart, the State will meet with the OCC Monitoring Team on State Planning Call #1 for about 1.5 to two hours to:

- Discuss the approaches and make any changes or adjustments to the Compliance Demonstration Chart, as needed. (By the end of the call, there should be agreement about what documents and links the State will provide before the onsite visit for the desk review, when the documents will be submitted, and what data collection activities the OCC Monitoring Team will undertake onsite to document and validate the State’s compliance,);
- Walk through instructions for the completion of the Document Submission Chart (the next chart to be completed by the State);
- Discuss at a high level how the onsite data collection activities might fit into the onsite schedule; and
- Discuss initial visit logistics.

After State Planning Call #1, the Regional Office will send a summary of the agreed upon changes or additions to the Compliance Demonstration Chart to the State. The State’s Team will then review, update and submit the revised Compliance Demonstration Chart based on agreements made during State Planning Call #1. This should take about a week.

Document Submission Chart

After submitting the revised Compliance Demonstration Chart, the State will complete the Document Submission Chart. (See Figure 7 below.) The Document Submission Chart is Part II of the Compliance Demonstration Packet. On this chart, the State maps for the OCC Monitoring Team where to locate the documentation that was proposed on the Compliance Demonstration Chart. The submission of the Document Submission Chart starts the OCC Monitoring Team’s desk review process and supports the development of the onsite visit schedule.

ON THE GROUND

Based on feedback received from States that have completed the monitoring process, the completion of the Document Submission Chart and the gathering and submission of those materials should take no more than one month.
On the *Document Submission Chart*, the State provides detailed information related to the identified materials. Like the *Compliance Demonstration Chart*, it is organized by topic and by the specific regulations being monitored within each topic. This chart gives both the State and the OCC Monitoring Team an opportunity to organize and catalog the information being submitted for the pre-visit desk review.

On the *Compliance Demonstration Chart*, States will provide detailed information such as specific document names, section and page numbers, etc. that relate specifically to the topic and component of the CCDF regulation. States should be strategic and identify the resources that will provide the most direct and targeted evidence for each regulation being monitored. (For example, if the State’s standards for safe sleep practices are in the licensing rules, the link to the State’s licensing rules will not suffice. States should include the actual page number and/or citation number.)

Note that:

- The State may send documents in batches at any time prior to the deadline determined on State Planning Call #1.
- The deadline for submission is approximately four weeks following State Planning Call #1.
- The State should submit the *Document Submission Chart*, along with listed attachments, to their Regional Office.

Between the receipt of the State’s materials and State Planning Call #2, the OCC Monitoring Team will conduct an extensive desk review. Based on the information collected and analyzed during the desk review process, and the information in the updated *Compliance Demonstration Chart*, the OCC Monitoring Team will also start developing a draft of the detailed onsite visit schedule.
State Planning Call #2

State Planning Call #2 usually lasts less than 1.5 hours and occurs about six weeks before the onsite visit. On this call:

- The OCC Monitoring Team will share questions from the desk review that have a bearing on the completion of the desk review and highlight any topic areas/regulations needing additional follow-up onsite.
- The OCC Monitoring Team and the State will review the proposed onsite monitoring schedule, looking at details (including identification of potential staff to be interviewed) and logistics.
- The OCC Monitoring Team will review OCC’s process for selecting the case files that will be used during the guided family and provider case reviews. (See the Guided Case Reviews section below.)
- The OCC Monitoring Team will respond to any State questions and identify next steps that both the OCC Monitoring Team and the State should take to continue visit preparations.

After State Planning Call #2, the OCC Monitoring Team will send the State an updated copy of the detailed draft onsite schedule. The State should review it carefully and confirm all participants, times, and locations. The State should review with staff and partners the family and provider case file selection process (See Guided Case File Reviews section below.) and determine what steps need to be taken to have files available and accessible to the OCC Monitoring Team when they come onsite.
The OCC Monitoring Team’s Desk Review

In the weeks leading up to the onsite visit, the OCC Monitoring Team uses the Document Submission Chart to conduct an extensive desk review of the evidence of compliance provided by the State, which allows them to develop a deeper understanding of the State’s CCDF structure, policies, and procedures and to make determinations about the State’s compliance with the CCDF specific regulations. The results of the desk review support the structure and schedule of the onsite visit.

State Staff Preparation

During this time period, the State Team should be preparing eligibility and licensing staff who will be interviewed at the onsite locations and/or walking the OCC Monitoring Team through the guided provider and family case reviews so they know what to expect when the team arrives. They also should be identifying and gathering the case records that meet the guidelines for review provided by the OCC Monitoring Team.

State Planning Call #3

State Planning Call #3 typically occurs a week or so before the onsite visit and only lasts about an hour. During this call, the OCC Monitoring Team and the State Team will confirm details about the onsite visit. This is an opportunity for the State Team, including partners, to address any outstanding questions or concerns and to request clarifications about the data collection process.

After State Planning Call #3, the OCC Monitoring Team will finalize and share the onsite visit schedule with the State. The State should share this final visit schedule with staff and partners, ensuring they are prepared for the visit. The State will also want to confirm room availability and A/V set-ups, confirm that selected family and provider case files are in place to be available and accessible for the OCC Monitoring Team, prepare the State’s Entrance Conference presentation, and prepare for any system/process demonstrations.

Onsite Visit Phase

The Onsite Phase is the two to three days during which the OCC Monitoring Team visits the State to collect further evidence. The visit is typically scheduled Tuesday through Thursday of a given week. During the onsite visit, the OCC Monitoring Team members conduct a series of data collection sessions with the State that may include in-depth technical interviews with staff and partners, demonstrations of program operations and resources, and guided reviews of family subsidy case files and provider licensing/monitoring files.

ON THE GROUND

It is important not to over-prepare for the onsite visit. There is no need to copy/organize/flag case files and no need to prepare presentations for the data collection sessions. With the exception of the agreed-upon system/process demonstrations, the data collection sessions are interactive discussions facilitated by the OCC Monitoring Team.
An overview of the typical onsite schedule is provided in Figure 8.

**Figure 8**

<table>
<thead>
<tr>
<th>AM</th>
<th>PM</th>
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<tbody>
<tr>
<td>Entrance Conference at State Office</td>
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<tr>
<td>OCC Presentation</td>
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<tr>
<td>State Presentation</td>
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<td>Data Collection Sessions at State Office(s)  (Topics TBD)</td>
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<tr>
<td>Demonstrations</td>
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<td>Interviews</td>
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<tr>
<td>Data Collection Sessions at State Office(s)  (Topics TBD)</td>
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</table>
| State's Entrance Conference presentation will provide a brief overview of the State's CCDF structure, system, and processes. It can also highlight areas not covered by the current monitoring topics, such as quality initiatives. This presentation should not be elaborate and usually lasts less than 20 minutes. State administrators may choose to invite other State officials and/or partners to participate (high-level officials from the Lead Agency, other parts of the State government, partner agencies, etc.).

The OCC Monitoring Team’s presentation during the Entrance Conference will review the monitoring approach and pre-visit preparations.

**Data Collection Sessions**

The OCC Monitoring Team conducts data (evidence) collection sessions on all three days of the onsite visit. These may include staff/partner interviews, demonstrations of program operations and resources, and guided reviews of family subsidy case files and provider licensing/monitoring files. Some of the data collection sessions will occur at the Lead Agency’s office, while others may take place at partner or local/regional office locations.
The State CCDF administrator(s) typically participates in most, if not all, of the onsite visit sessions, as s/he deems appropriate. Other participants in one or more data collection sessions during the week typically include state-level subsidy, licensing/monitoring, and professional development managers; local subsidy and licensing/monitoring office managers and staff; and State and local partners, such as professional development providers, emergency preparedness partners, and consumer education providers.

Data Collection Day 1

- The OCC Monitoring Team collects evidence providing a high-level overview of how the State’s program is administered.
- The OCC Monitoring Team spends the majority of the day on topical data collection sessions, typically at the Lead Agency office(s) or at other offices within the capital city.

Data Collection Day 2

The OCC Monitoring Team will typically divide into two teams on the second day of the visit to see subsidy and licensing/monitoring sites outside of the capital area. The Monitoring Team will typically visit a diversity of locations (e.g., urban and rural, high and low case-loads) in order to understand the State’s unique context and challenges.

Data Collection Day 3

- The OCC Monitoring Team will come back together, typically at the Lead Agency office, for additional data collection and the Final Onsite Debriefing. (See details regarding the Final Onsite Debriefing below.)

State Debriefings

The State will participate in 15- to 30-minute debriefings with the OCC Monitoring Team at the end of each day of the onsite visit. The State administrator may involve other members of the State team in the debriefings, as s/he sees fit. During the debriefings, the OCC Monitoring Team will follow-up on any questions identified during the data collection sessions and address any State questions or concerns. The State may also provide feedback on the monitoring process. During the Final Onsite Debriefing the OCC Monitoring Team will provide an overview of the Post-Visit Phase. Compliance determinations will not be shared during the State Debriefings.

Monitoring Options in an Emergency

Onsite visits are extremely valuable to the integrity of OCC’s monitoring process. However, in the event that visiting your State at the originally scheduled time is not possible due to a national or local emergency, the Monitoring Team will reach out to reschedule the visit. If the emergency prevents the Monitoring Team from coming onsite, the Monitoring Team will work with you to plan a virtual visit as an alternative to the onsite visit. Although a virtual visit cannot fully replicate the onsite experience, it will include many of the same kinds of data collection sessions with the State and its partners that would have happened onsite. Additional information is provided in Appendix B-6: Virtual Monitoring Visits Due to Emergency.
Guided Case File Reviews

During the Onsite Phase, the OCC Monitoring Team will collect evidence via guided case file reviews conducted by the State/contractor staff. Unlike some other federal monitoring processes, the OCC Monitoring Team will not pull cases to review for accuracy. The State will select cases based on the criteria listed below, as well as discussion with the Monitoring Team. Then a case worker/inspector will walk the OCC Monitoring Team through the case processing procedure.

There are two types of case files that are reviewed during the onsite monitoring visit: 1) subsidy case files (family case files looking at family eligibility, etc.) and 2) provider monitoring/inspection case files. For each type, there are selection criteria for the State to follow, as noted below.

For subsidy case files, the State will provide at least one case per data collection site fitting into each of the following categories (a single case may fit into more than one category):

- Shows a redetermination at 12 months;
- Shows a non-temporary cessation of work, school or training activity (if the State chooses to discontinue assistance in such situations)
- Shows closure before 12 months;
- Shows initial job search (if the State chooses to offer this option); and
- Shows graduated phase out implemented at redetermination (if applicable).

For provider monitoring/inspection case files, the State will provide at least one case per data collection site fitting into each of the following categories (a single case may fit into more than one category):

- Includes a fatality or serious injury;
- Shows a visit that was the result of a complaint; and
- Shows a corrective action plan.

Across visit locations, provide case files from the full range of the State’s CCDF-eligible provider types. States have many different terms and definitions of provider types, especially those that are license-exempt (examples include “registered,” “listed,” “FFN,” and “religious exempt”); OCC monitoring will look at all CCDF-eligible provider types. As noted in §98.42(c), States have the option to exclude “grandparents, great grandparents, siblings (if such providers live in a separate residence), aunts, or uncles” from their provider monitoring requirements.

In addition to looking at documentation for the category listed above, the OCC Monitoring Team will look at each case for evidence of required inspections (pre-licensure and annual, as appropriate to the provider type).
State Staff Walk the OCC Monitoring Team Through the Guided Case Files

For both the subsidy case files and the provider monitoring/inspection case files, staff at the data collection sites during the onsite visit need to walk the Monitoring Team through each of the cases selected to tell the story of the case, showing how it fits into the category and how it demonstrates the State’s processes and procedures in action.

TEAM TIP

The OCC Monitoring Team is not looking for stacks and stacks of cases nor a statistical sample to review themselves. Typically, the total number of cases for review is less than 10 per data collection site. Also, remember that this is a point-in-time review. (For example, if a provider has been licensed since 1994, the Monitoring Team does not need to see all 25 years of inspection history. Rather they will need recent monitoring and enforcement over the last year or so.) The point of the guided case review is not to review for accuracy and errors, but to understand the process itself as it relates to the different types of situations.

The OCC Monitoring Team will work with the State in the Pre-Visit Phase to identify who can best tell that story. Typically, the OCC Monitoring Team will talk to both the "line staff"—the subsidy caseworkers and licensors/inspectors—and their supervisors. State-level staff may sit in on the case review; however, the OCC Monitoring Team’s goal is to hear from local staff and to understand the State’s processes and systems from their perspective.

ON THE GROUND

Multiple people may need to be present to tell the story of the case during the guided case reviews onsite. The type of staff and their roles may vary from State to State; they may be State staff, local agency staff, CCR&R staff, or other contractors. Think about who, in your State, can best tell the story of the case.

This case is an example of a provider we monitored as a result of a complaint.

Staff at the data collection sites during the onsite visit will walk the Monitoring Team through each of the cases selected to tell the story of the case.
Understanding the Relationship of Monitoring Topics 5, 6, 7, and 8

Monitoring Topics 5, 6, 7, and 8 all relate to health and safety. (The specific regulatory language being monitored in each topic can be found in the Compliance Demonstration Packet.) It is important to understand this relationship during the OCC monitoring process as it is a driver for how the OCC Monitoring Team collects evidence during the process.

First, note that Topic 5: Health and Safety Requirements for Providers encompasses 11 more-detailed health and safety requirements. They include:

1. The prevention and control of infectious diseases (including immunizations);
2. Prevention of sudden infant death syndrome and use of safe sleeping practices;
3. Administration of medication, consistent with standards for parental consent;
4. Prevention and response to emergencies due to food and allergic reactions;
5. Building and physical premises safety, including identification of and protection from hazards, bodies of water, and vehicular traffic;
6. Prevention of shaken baby syndrome, abusive head trauma, and child maltreatment;
7. Emergency preparedness and response planning (including detailed components);
8. Handling and storage of hazardous materials and the appropriate disposal of biocontaminants;
9. Appropriate precautions in transporting children, if applicable;
10. Pediatric first aid and cardiopulmonary resuscitation; and
11. Recognition and reporting of child abuse and neglect, in accordance with the requirement at 98.41(e).

Under Topic 5, for each of the 11 health and safety requirements, the OCC Monitoring Team will look at the State’s standards/requirements for all CCDF-eligible child care providers. Those standards/requirements are typically set at the State level, but they might be found in many different places, such as State statutes, regulations, administrative rules, or CCDF provider agreements.

Under Topic 6: Pre-Service/Orientation and Ongoing Training for Providers, the OCC Monitoring Team will look at the State’s requirements for pre-service/orientation and ongoing training for all eligible CCDF providers around the 11 health and safety requirements. For ongoing training, States have flexibility in determining which health and safety trainings should be repeated and how often. Where these orientation/training requirements reside varies from State to State; they may be defined in State statutes, regulations, administrative rules, CCDF provider agreements, or elsewhere.

Regardless of where these requirements reside, the Monitoring Team will be looking for evidence of the requirements in the Pre-Visit Phase and during the onsite visit. The Team will want to talk with the State staff and/or contractors responsible for setting and implementing the
training requirements and those responsible for creating any registries or other systems that support or track provider participation.

**FIGURE 9**

Under Topic 7: Inspections for CCDF Licensed Providers and Topic 8: Inspections for License-Exempt CCDF Providers, the OCC Monitoring Team will look at how the State ensures that licensed and license-exempt CCDF-eligible providers are in compliance with both the State’s health and safety (and fire) standards and the State’s training requirements around the 11 health and safety topics.

Monitoring and inspection work may be done by staff at the State, regional, and/or local level, or by partners. During the onsite visit, the OCC Monitoring Team will want to talk to the State-level leaders involved in setting monitoring/inspection policies and designing and implementing monitoring/inspection databases and systems, as well as licensors and/or other staff or contractors who are responsible for conducting the inspections.

As noted in Figure 9, the OCC Monitoring Team will look at standards, training, and inspections for all of the 11 health and safety topics across all CCDF-eligible provider types applicable within the State. Note that States have many different terms and definitions of provider types, especially those that are license-exempt (examples include “registered,” “listed,” “FFN,” and “religious exempt”); OCC monitoring will look at all CCDF-eligible provider types.

**ON THE GROUND**

Because Topics 5, 6, 7, and 8 are interconnected, be aware that during the onsite visit the OCC Monitoring Team may ask a lot of similar-sounding questions as they work to gain a solid understanding of the State’s standards, training requirements, and inspection processes for all 11 health and safety topics across all CCDF-eligible provider types. Also remember that the Monitoring Team will be trying to both fill in gaps in understanding and validate information found during the pre-visit desk review.
Post-Visit Phase

The final phase of the OCC Monitoring process is the Post-Visit Phase. Figure 10 shows the key steps of the Post-Visit Phase.

State Post-Visit Communication

Should the OCC Monitoring Team have questions about the data collected in the Pre-Visit and Onsite Phases, or if they need to collect additional data to help complete documentation and data analysis, they will share that information with the State through Post-Visit calls and email. The OCC Monitoring Team will inform the State what additional documentation is needed and will indicate due dates and next-steps. The first communication will be within three weeks of the onsite visit.

Preliminary Compliance Determination

After the State Post-Visit Communication is complete, the OCC Monitoring Team then documents all the evidence collected across all three monitoring phases and recommends preliminary compliance determinations to OCC. A body comprised of the OCC Division Directors, called the Compliance Verification Team, meets to review and validate the OCC Monitoring Team’s proposed determinations of the State’s compliance or non-compliance with each regulation being monitored. This validation process ensures national consistency in the monitoring process and in compliance decisions.

Virtual Exit Conference

Because OCC wants this process to be as open and transparent as possible, a Virtual Exit Conference is held with the State prior to the issuance of written findings. During this call, the State will receive the preliminary compliance determination results. The State also has the opportunity to ask questions, provide additional clarification (if needed), and discuss the next steps in the process.

(Optional) State Written Response

After the Virtual Exit conference, OCC issues the formal preliminary findings to the State. The State has an opportunity to provide a written response. If the State submits additional evidence, OCC considers that information and then issues its Final Compliance Determination.

Final Compliance Determination

OCC provides a letter to the State providing the Final Compliance Determination.
### VI. Appendices

#### Appendix A: Commonly Used Terms and Acronyms

**Commonly Used Terms & Definitions**

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<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>Cohort</td>
<td>The group of States being monitored in one federal fiscal year. States are divided into three monitoring cohorts of 17 States each. Three monitoring cohorts make up one monitoring cycle.</td>
</tr>
<tr>
<td>Compliance Verification Team</td>
<td>A body comprised the OCC Division Directors that meets to review and validate the OCC Monitoring Team’s proposed determinations of the State’s compliance or non-compliance with each regulation being monitored.</td>
</tr>
<tr>
<td>Data Collection Session</td>
<td>A meeting (usually during the onsite visit) between the OCC Monitoring Team and State staff, partners, and/or subrecipients structured to help the OCC Monitoring Team gather evidence of the State’s compliance with specific regulations. The goals of the data collection sessions are to provide the OCC Monitoring Team a comprehensive understanding of how the State is implementing the CCDF topics/regulations being monitored, validate evidence observed during desk review by observing State practices in action on the ground, and/or fill in gaps of knowledge that OCC Monitoring Team was not able to gain during the desk review. Data collection sessions may occur at the Lead Agency’s office or at partner/local/regional office locations. Locations are selected in consultation with the State based on a variety of criteria that include the State’s CCDF organizational structure, geographic and demographic considerations, and the availability of subsidy and licensing/monitoring case files (whether paper or electronic).</td>
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<tr>
<td>Desk Review</td>
<td>The OCC Monitoring Team’s period of review and analysis of evidence of compliance provided by the State during the Pre-Visit Phase of the monitoring process.</td>
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<tr>
<td>Evidence</td>
<td>Any documentation, demonstration, verbal response, or other piece of information that supports a State’s claim of compliance with the regulation being monitored. Pre-visit evidence, such as State statutes, rules, regulations, manuals, and websites, is evidence that can be shared for the desk review. Onsite evidence is anything that can/should be observed or gathered in person, whether through system/process demonstrations, in-depth interviews, or guided case file reviews.</td>
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<tr>
<td>Monitoring Cycle</td>
<td>A three-year period, aligning with a CCDF Plan Period, during which all States are monitored. OCC defines specific monitoring processes and topics for each cycle.</td>
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<tr>
<td>OCC Monitoring Team</td>
<td>The group of individuals representing OCC during a specific State’s monitoring process. The Team consists of OCC staff and representatives from OCC’s monitoring contractor, WRMA, Inc.</td>
</tr>
<tr>
<td>Personally Identifiable Information</td>
<td>As defined in OMB Memorandum M-07-1616, it refers to information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.</td>
</tr>
<tr>
<td>State Calls</td>
<td>Virtual meetings between the OCC Monitoring Team, the State CCDF Administrator(s), and other State staff/partners as identified by the State. Three State-specific calls are held during the Pre-Visit Phase. One or more calls and a Virtual Exit Conference occur during the Post-Visit Phase.</td>
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<tr>
<td>Sub-Cohort</td>
<td>The subset of the cohort that has monitoring visits scheduled within the same part of the fiscal year (usually a calendar quarter). For example, States with visits in January, February, and March would be one sub-cohort and would participate in the same Sub-Cohort Training.</td>
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Commonly Used Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Term</th>
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<tbody>
<tr>
<td>CCDBG</td>
<td>Child Care &amp; Development Block Grant</td>
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<td>CCDF</td>
<td>Child Care &amp; Development Fund</td>
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<tr>
<td>CCR&amp;R</td>
<td>Child Care Resource and Referral</td>
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<td>CDC</td>
<td>Compliance Demonstration Chart</td>
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<td>CVT</td>
<td>Compliance Verification Team</td>
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<tr>
<td>DSC</td>
<td>Document Submission Chart</td>
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<tr>
<td>FFN</td>
<td>Family, friend, and neighbor care</td>
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<tr>
<td>OCC</td>
<td>Office of Child Care</td>
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<td>PII</td>
<td>Personally Identifiable Information</td>
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<td>TA</td>
<td>Technical Assistance</td>
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## Appendix B: Monitoring Templates and Tools

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<th>Appendix #</th>
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<th>Available on the Office of Child Care CCDF Federal Onsite Monitoring webpage</th>
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<td>B-1</td>
<td>Office of Child Care (OCC) Monitoring Process: Overview</td>
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<td><em>(Available on the Office of Child Care CCDF Federal Onsite Monitoring webpage)</em></td>
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<tr>
<td>B-2</td>
<td>Compliance Demonstration Packet (PDF version)</td>
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<td>B-3</td>
<td>State-Specific Monitoring Activities (template)</td>
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<td>General Onsite Visit Schedule Structure</td>
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<td>OCC Monitoring Process Trainings</td>
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<td>B-6</td>
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